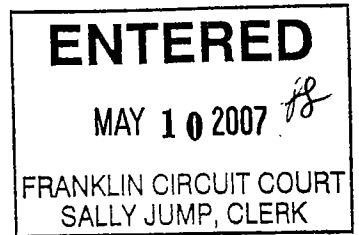


COMMONWEALTH OF KENTUCKY  
FRANKLIN CIRCUIT COURT  
DIVISION I  
CIVIL ACTION NO. 04-CI- 00588



COMMONWEALTH OF KENTUCKY, ex rel. The Executive Director of the Office of Financial Institutions of the Commonwealth of Kentucky

PLAINTIFF

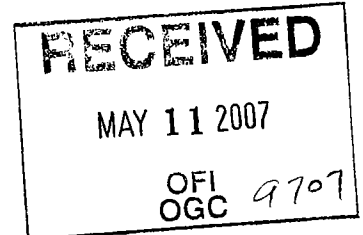
vs.

Target Oil & Gas Corporation

and

Michael Smith, Personally

DEFENDANTS



**ORDER TO PRODUCE DOCUMENTS**

Upon Motion of Plaintiff, the Executive Director of the Office of Financial Institutions of the Commonwealth of Kentucky ("Office"), for relief, this Court being otherwise sufficiently advised;

**IT IS HEREBY ORDERED THAT:**

1. Defendants Target Oil and Gas Corporation, Inc., ("Target") and Michael Smith, ("Smith") and any other personnel under their influence and/or control shall produce the documents indicated on the attached list before the individual(s) who have been duly authorized by the Executive Director to represent the Office of Financial Institutions of the Commonwealth of Kentucky, at 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601, at or before 4:30 o'clock p.m., local prevailing time on or before the 29<sup>th</sup> day of May, 2007. Furthermore, said Defendants are **ORDERED** to produce those documents on the attached list (styled ITEMS TO BE FURNISHED IN RESPONSE TO SUBPOENA DUCES TECUM) before Chad Harlan, Investigator, and/or Colleen Keefe, Director of the Division of Securities of the Office of Financial Institutions of the

Commonwealth of Kentucky, or any person designated by Ms. Keefe to act in place of the  
aforementioned staff members. In order to clarify the time periods covered by the  
documents in the attached list, the present shall be defined as the entry date of this Order.

Entered this 9<sup>th</sup> day of May, 2007.

  
Phillip Shepherd, Judge  
Franklin Circuit Court

ITEMS TO BE FURNISHED IN RESPONSE TO  
SUBPOENA DUCES TECUM

Defendants are Ordered to Provide the documents and/or information below for Target Oil and Gas Company ("Target") and any other affiliated entities. Note that all information is to be provided whether the location of the subject is within the Commonwealth of Kentucky or outside the Commonwealth of Kentucky.

**The following documents and/or information shall cover the period from the firm's inception to the present:**

- 1) A list of all Officers and Directors of Target. Also detail the amounts and terms of their compensation, including cash and non-cash pay and benefits.
- 2) A list of all bank accounts that Target currently holds or has in the past held. Include the name of the bank and the account number.
- 3) A list of all wells in which Target Oil and Gas Company (Target) has sold interests. Include with this a list of all investors and the amount of the interest that each holds. Also provide the last known contact information (address and telephone number) for these investors.
- 4) A list of all investors who have received royalty payments from wells. Include the amount that has been paid to each and what well or wells the payment resulted from.
- 5) Copies of all documents filled out or signed by Ronald D. Bateman, the Ronald Bateman Revocable Living Trust, and Randy Harris.
- 6) True and accurate copies of the referenced documents related to all programs in which the above named parties held interests that were either purchased or provided to them as an incentive.

These documents would include but not be limited to:

- a. All Disclosure Documents
- b. All Correspondence

**The following documents and/or information shall cover the period from January 1, 2000, to the present:**

- 7) A list of all wells in which Target has charged the investors Completion Cost(s) but later determined that there were no commercial quantities of oil or gas present and thus shut in or plugged the well.
- 8) Turnkey contracts and drilling records for each well that Target has drilled. This

should include the permits to drill. Specify which records belong to which programs.

- 9) Copies of lease agreements for the Mineral Rights to the land on which the wells in each program are located. Please specify which leases belong to which programs.
- 10) True and accurate copies of invoices, receipts, or other documents that represent payment for oil and/or gas produced by each well, identified such that the particular well for each document can be readily ascertained from examining the document. In order to accomplish this, a new schedule shall be contemporaneously prepared to summarize each well's production and tie back to said invoices, receipts, or other documents *in the order of such items*.
- 11) True and accurate copies of receipts for all expenses relative to the drilling and operation of each well, identified such that the particular well for each document can be readily ascertained from examining the document. In order to accomplish this, a new schedule shall be contemporaneously prepared to summarize each well's expenses and tie back to said receipts for all expenses relative to the drilling and operation of each well *in the order of the receipts*.

All lists shall be certified as to their accuracy by an executive officer of the company, and if the requested information does not exist or is not applicable, an executive officer shall so state and/or indicate same in writing. Such certification and/or subscription shall be provided through the use of an attached Jurat executed by a Notary Public duly licensed in the state wherein such certification and/or subscription occurs.

In the event some of this information needs to be compiled, you are directed to compile it. In the event schedules are needed in order for you to provide this information, you are directed to prepare said schedules. The documents above (or photocopies of same) are acceptable. You are directed to provide all information requested herein that is in your possession, accessible to you, or subject to your control. Any questions as to how to comply with this subpoena may be directed to staff member Chad Harlan.